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**A Model for Cultural Analysis in the Frame
Of Leadership**

By

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Richmond, VA

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Introduction

Leadership in the business world is coming under scrutiny now more than ever. The foundations of the business world are crumbling and new perspectives are diversifying the context of almost every business. Even the 'inside of business' are changing. New people are getting the chance to make changes in the companies, and their changes are altering how things are done. Business can be analyzed through the frame of culture. An analysis of the culture of a company will bring to light the way the company is structured (the formal structure) and the way the company works in day to day operation (the informal structure). A careful overview of the context of the company and the whole structure of the company will show areas of potential leadership, areas where people will show the motivation to push the company into a growth period. My project is an evaluation of the culture of a company in a time of growth through the lens of leadership.

The model proposed here will be explained through explanation of terms. This serves a two-fold purpose in the paper. The terms of a model are important in that they provide the angle for the author's analysis. By defining the terms of the model the model will become more effective tool for analysis

because the assumptions of the author will be explained in front. Beside showing the angles of the model, explaining the terms will provide a map to navigate the model. After the construction of the model, *Flying Colors Inc.* painting company will be analyzed in accordance with the model. First, a description of the past use of the term “culture” will be used to form a context for the paper.

Methodology

There will be two parts of research for my project. First is the academic explanation of the model and, second, is the application of the model to the *Flying Colors Inc.* painting company. They will be undergoing growth in the next year and an analysis of how they are planning to do this and how they fit in with my model will give me a good sounding board to the ideas expressed here. Too many scholars write their works without knowing how it will apply or how it does not apply; I hope not to fall into that trap.

The term culture is not a simple term. It has more baggage than American tourists in Europe. I will outline here what I mean when I refer to culture. While defining culture I will use the word group, as Edgar Schein

did,¹ and company, to refer to any group within a business including the whole business. If clarification on what size group or which group I am referring to is needed, it will be provided. By using “group,” I am including the idea of group dynamics as a part of the culture of any company. This is an important portion of my evaluation of the culture of companies because it shows how the company interacts within the group and with people outside the group. This is very important in the growing company as well, maybe more so, because the group is changing and the dynamics are evolving and these interactions are fragile during a stage of change. Any growing company has to pay attention to the dynamics of the group that is involved in the growth.

I am going to explain the term culture by defining three categories that include every aspect of culture that I will use in my evaluation of companies in growth. I believe these three categories encompass most other categories that other authors use when depicting culture as well. My three categories will be the basis for my evaluation of the culture of growing companies. I will show how the evaluation of companies, control of companies, and comparison of companies can be done through the analysis of culture. The

¹ Schein, Edgar. Organizational Structure and Leadership. San Francisco: Jossey-Bass Publishers, 1992

analysis of culture will reveal all the angles the company has and provide a way to understand the short comings and the strengths of the company in a way that will offer the company a way to look at itself and improve on weaknesses and capitalize on strengths.

Literature Review

Other authors use culture to analyze companies in order to find out either why it works or why it does not work. This paper will, by analyzing culture, show where potential for leadership and growth lies. A literature review will show that this way of looking at culture is new. Most books dealing with culture discuss the growing business in part, as a chapter or in a chapter, but none of them consider this angle all together different when looking at the company through the eyes of leadership.

Edgar Schein is *the* author for culture and leadership. His book, “Organizational Culture and Leadership,” is extremely in depth and analytical. It is that approach that would work very well in evaluating a business when using the model in this paper. His in depth analysis is only useful in finding out what the company is like. If it is put in a frame, such as

leadership as growth: a search for growth potential in a company, then it would be more productive. Another author who provided some guidance to the understanding of culture is J. Steven Ott. His book, "The Organizational Perspective," was very useful in showing how culture can be used as a lens that can bring certain aspects of companies to light. A book that tied the leadership aspect in with the perspectival analysis was "The New Leadership Paradigm" by Henry Sims and Peter Lorenzi. Together these three books planted the seeds for the model and after some leadership concentration the model came to fruition.

Leadership

Leadership has been defined as "the process of motivating a group towards a common goal."² We can operate with this definition of leadership throughout this paper, but it will need to be flexible, as I believe this definition is. Leadership is the creation of new ways of looking at things are new ways of doing things. This fits into the evaluation of culture in that leaders will be setting the new policies in the culture of a company.

² This quote is taken from the phrase that most Foundations in Leadership classes end up with when they define leadership.

Leadership can be seen at the birth of any new word or concept in a company or any reformation or reevaluation of old ways or ideas. It is from this perspective that I will evaluate the leadership in a growing company. While a company is growing new policies will be formed along with new ways of doing things. It is here that the leaders will shape the new cultural aspects of the company and redefine many ideas.

Propositions and models

The question of leadership looms large over this paper. An assumption of this paper is that the growth of a company will have to involve leadership. To show this “growth” needs to be defined. In the sense of plants, growth means the development of the plant in all facets in order to produce a full grown plant. “To grow” in the dictionary¹: to advance toward maturity, to become, to develop. This is the sense of growing that can be applied to a company. In this growth, the company develops and grows together. The implication of this is that the group agrees with the changes that are occurring. If there is change without the agreement or maturation of the group then it is change not growth. Change can thus be looked at as a process that does not need leadership to occur. Growth, however, requires the leadership process to occur. Growth needs agreement and group development in order for it to work. To better understand growth in business, what growth is in the context of business needs to be explained. There are two dimensions of growth: an expansion of the company’s services or an expansion of territory covered by the company and they are both concerned with an expansion of

¹ Schwartz, Cathrine, ed. Davidson, George, ed. Seaton, Anne, ed. Tebbit, Virginia, ed. Chambers English Dictionary. New York: W & R Chambers LTD, 1990.

the customer base. They differ in how they obtain that expanded customer base. In any example, growth will only occur when leadership is present.

Proposition 1

Growth will only occur with leadership.

It is from this view of growth in a company that culture can be used to evaluate its ability to develop and expand. When a company is trying to expand it can be evaluated by looking at the culture as a measure of ability to develop toward maturity. The culture will show how the company is prepared or preparing for the growth, is there flexibility in the structure, is there enough structure? Questions such as these help to delve into the company's ability to expand.

Proposition 2

Culture offers insight into company growth.

This way of looking at the company is important to explain because it frames the whole paper. A cultural analysis offers a structural analysis, a personnel analysis, and a tie between the two. It also offers a look at the company as a whole and how it has been affected by what is happening and what is going to happen. If the group that is analyzing the company has the idea that they want to evaluate the company carefully and offer a thorough analysis of where leadership is possible and how the company can grow then they will need to take into consideration all the parts of the company and how those parts affect all other parts. The group of analysts would need to look at the context of the whole company and the field the company is in, and with that frame evaluate the situation, and apply that to how the group interacts within the group and outside the group. First, the analysis needs to begin to look at the larger context that the company works in.

The Model

The model being proposed here is a tool for a company to explore its potential for growth. It should be used carefully in conjunction with an outside group if necessary but it needs full participation by the whole group

being analyzed. The model starts with broad questions and focuses in on important issues in the culture of the company.

The **Context** is the beginning where the group being analyzed takes a closer look at where they are in the larger picture. It is as important that the group sees where they are in relation to other businesses as it is for any outside consultant because they need to understand HOW to shape the change so it can be growth. Every member of the group has to understand how the growth affects them and how they can help it and benefit from it. The Context is a group of set variables. The Context will vary in each case, but those variables will be firmly set for that business.

The **Situation** is the analysis of what decisions have been made in a company. The four areas in Situation consist of: Customers, Policies, Personnel, and Location. The customers are already with the company, the policies have already been set, where the business operates has been decided, and the people have already been hired. This set of variables has already been determined by the company and they are less stable than the Context. Relative to the third section of the model, the Interaction, the Situation is stable. The company has had control over who it hires, what its policies are, and how it earns its customers. These things change in time. This time is

measurable. It takes a certain amount of time to set up a new Citibank office in northern New Jersey. A new person is hired in a period of time, after being interviewed. The situation is alterable, given time. The Interaction of an office could change rapidly with the time in which the changes happened being different for different people.

The **Interaction** in the group is always shifting. It is reshaping itself every time someone interacts with someone else. The two components to interaction are language and climate. Both affect the interaction of the group differently and this effect can alter the company in any section of the situation. Interaction has a large effect on what the potential for growth in a company is.

This model will leave the company with an idea of how it is prepared for growth and in what ways it needs to prepare itself before it begins to grow. Each member of the group has more influence on the rest of the group on the interaction level. It is important to understand how much each member can affect the whole group and that is accounted for in the Interaction section. This model will begin with context and move toward the most dynamic part of the company. It is in the Interaction of the company where the most potential for growth can be found. The Context will set the frame for the

analysis, the Situation will find areas where the potential for leadership exists. The Situation is the logistical analysis. The Interaction will evaluate whether the company is capable of the growth. If the company is imagined to be a person, is it mentally prepared for the growth? The Interaction will look at that. Both the Situation and the Interaction of the company will show how prepared the company is for growth, but in different ways.

This model is meant to be flexible in the way it is used. The flexibility is to provide the analysts with the opportunity to shape the model along with the company. The only physical model that works with this model without sacrificing the flexibility is the three circles model. The Context circle is surrounding the two interlocked Situation and Interaction circles. The context sets the stage for the other sections. It is there to provide the frame so that the analysis is worthwhile. The other two sections will provide the opportunity to explore the company and its potential for leadership and growth.

Context, Situation, and Interaction

The **Context** of a business can be explored in three questions: What business? How is that business doing (compared with the rest of the market, global or otherwise depending on what frame the group wants to look at)? How is this group doing in this area of business (compared to other companies in the same area)? Each question needs to be explained and the implications explored before the rest of the model can be discussed.

What Business? Understanding what business a company is operating in is essential to doing a good analysis of the company. This may seem obvious but without at least a nod in this direction the analysis could go completely off track. Even if the group that is being analyzed is doing the analysis they should look deeper into the nature or history of the business. This will give the analysts a better understanding of where their business came from and how it has grown and this will help the company figure out how the business will grow in the future. This should be the first question and will frame the rest of the analysis.

How is the business doing? Is this business growing? Is this business stable? These questions close our frame tighter around the company. The

trends of the particular business must be understood in order to give a fair analysis. This information puts the company in the larger frame of the economy, whatever the economy the analysts or the group who are asking for the analysis think is appropriate.

How is this company doing in this area of business? This is the last question in the context section. It links the outside economy with the particular business. This question focuses the analysis squarely on the shoulders of the group being evaluated. It is important to know how the company is doing in the area it is competing in because it will show how in tune the company has been to other company's growth in the past and how much room that company has to grow now. If everyone that buys apples in Avon, Connecticut buys them from Nelson's Market then the market has no room to improve in Avon. The market will have to open new avenues in order to grow. It is in this question that the areas where growth is possible will become more apparent.

Situation

The second part of the analysis has three sections where potential for growth in the company will be explored. **Policies** guide the company's interaction. It is this part of the situation that will lead us to the last section of the model. Understanding one's **customers** is an important factor to understanding how much room for growth the company has. The customers will determine how much growth is possible. The **personnel** that a company has can dictate the success of the company. Understanding the personnel and learning how to motivate them all, including the president or CEO (Chief Executive Officer), is a substantial part of company growth. The **Location** of a company can affect the culture of a company. There are many ways in which a company can be altered by a geographic change.

By **location** I mean where the members of the group do their jobs. People in a tight office together will act differently than a group of salespeople who spend their time on the road. This is important in understanding the culture of a group, as well, because it gives the analyst a

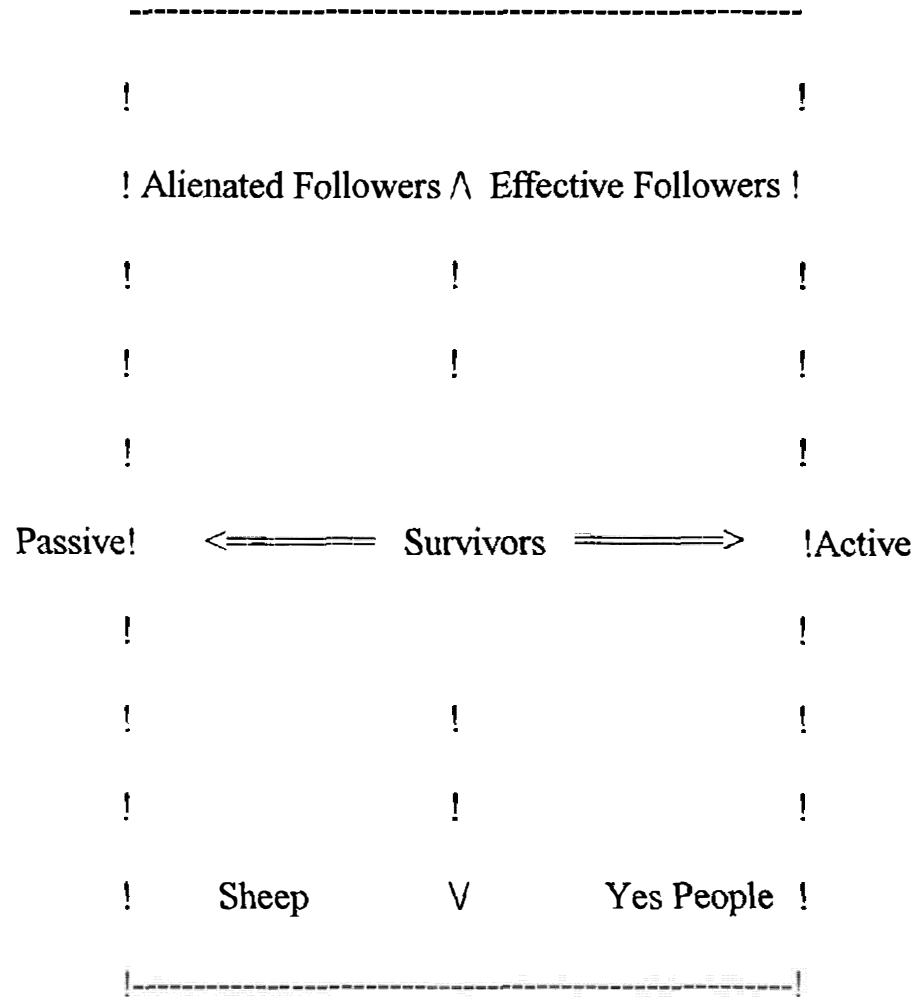
picture of the way the company works, not in language or mood, but in actual position. Where the people in the group are can have a very profound affect on communication or any number of things: motivation, shared goals, different type of customer base, different type of services.

Understanding the implication of the location of the company in relation to the whole is important as well. Building condos for the elderly behind fraternity houses would be a bad idea. The noise from the fraternity houses would bother the majority of the elderly and the condos would not sell well. That understanding of location can be just as pivotal to putting a company into a good position for growth.

In order to evaluate the **personnel** of the company we will apply a model of follower evaluation, slightly modified, to each member of the group. The model being applied is by Robert Kelley from his In Praise of Followers.² He created a model with two variables and five sets of followers. The model:

² Wren, J. Thomas, ed. The Leaders Companion. New York: The Free Press, 1995

Independent, Critical Thinking



Dependent, Uncritical Thinking

His explanation of the model is as follows:

“One dimension measures to what degree followers exercise independent, critical thinking. The other ranks them on a passive/active scale. The resulting diagram identifies five followership patterns (See above).

Sheep are passive and uncritical, lacking in initiative and sense of responsibility. They perform the tasks given them and stop. Yes People are a livelier but equally unenterprising group. Dependent on a leader for inspiration, they can be aggressively deferential, even servile. Bosses weak in judgment and self-confidence tend to like them and to form alliances with them that can stultify the organization.

Alienated Followers are critical and independent in their thinking but passive in carrying out their role. Somehow, sometime, something turned them off. Often cynical, they tend to sink

gradually into disgruntled acquiescence, seldom openly opposing a leader's efforts. In the very center of the diagram we have Survivors, who perpetually sample the wind and live by the slogan 'better safe than sorry.' They are adept at surviving change.

In the upper right-hand corner, finally, we have Effective Followers, who think for themselves and carry out their duties and assignments with energy and assertiveness. Because they are risk takers, self-starters, and independent problem solvers they get consistently high ratings from peers and many superiors. Followership of this kind can be a positive and acceptable choice for parts or all of our lives----a source of pride, and fulfillment.”³

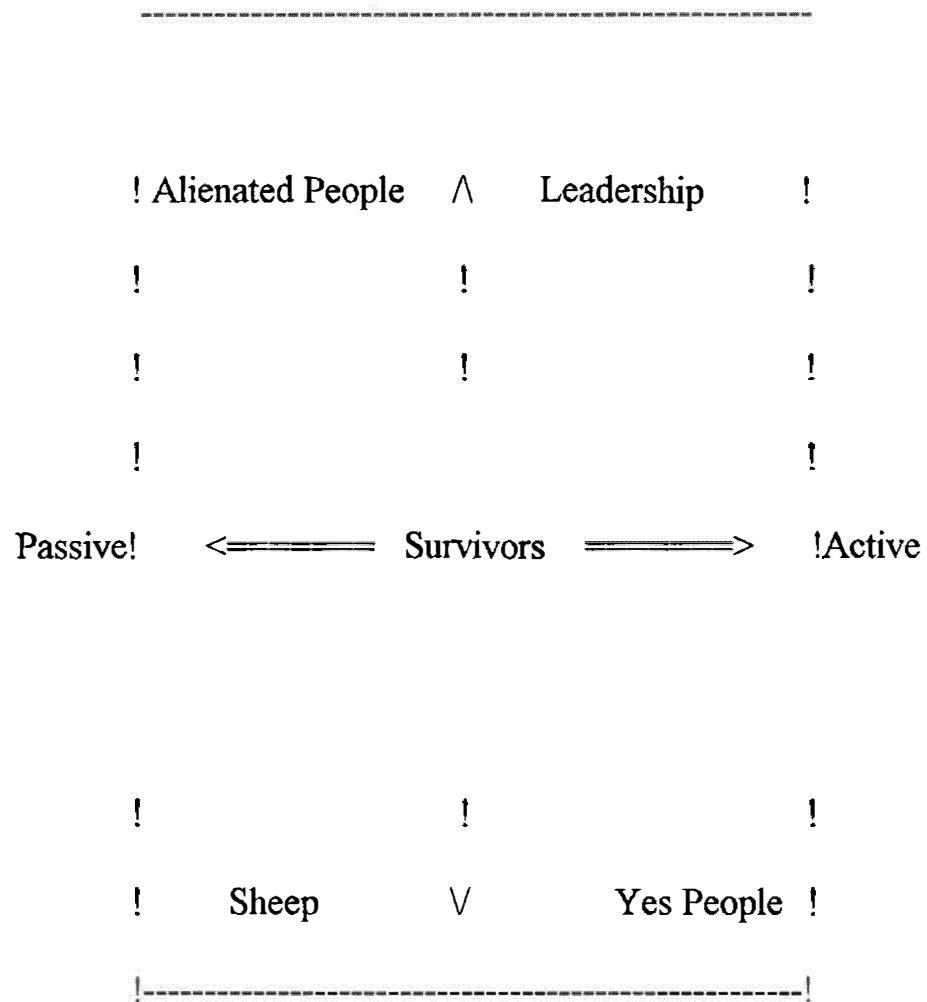
If we understand this idea as being applicable to all members of any group then the model can shed its “followership” frame. If the model drops

³ Wren, p. 195-196

the “followership” frame we have a new top right corner. What used to be Effective Follower would become leadership. How far from leadership is effective followership? Is a leader one who follows a vision, or sees the needs of the people and follows those needs toward a goal? Robert Greenleaf, in his paper The Servant Leader,⁴ describes a leader as one who serves others first. He describes a leader as a servant to others, to a group, and it is from this service that the leadership springs. Is that not leadership and followership, or leadership as followership? With Greenleaf’s idea of leadership in mind let us reframe the Kelley model:

⁴ Greenleaf, Robert. The Servant Leader. Indianapolis: The Robert K. Greenleaf Center, 1991.

Independent, Critical Thinking



Dependent, Uncritical Thinking

In the analysis of the group each member has the ability to move toward that top right corner. People can be motivated to think more critically or to be more independent. They can also be motivated to be more active. By motivating people in either direction, Yes People and Alienated People can be moved toward the leadership corner.

The analysis will need to find the people in the company that are thinking critically and independently or being active, then the group will need to evaluate whether the people can be motivated toward the top right corner (leadership). It is these people who offer the potential for leadership in the company. These people need to be encouraged in order to improve the chance of growing successfully. In this section of analysis the group can find areas that can be improved or areas that are already strong in leadership so that they know how to proceed.

The company's **customers** are the base of the company. Without customers a business will be impossible to maintain. Before the company decides to go through a growth period it needs to evaluate its customer base to see if it has room. The type of customers a company has is important to understanding how to prepare for change. Keeping in mind the two types of

growth: growth in services and territory, we can decide what kind of evaluation needs to be done on the customer base.

First, the company needs to evaluate the customer base it currently has. These customers will help in a services offered growth. The old customers may be accepting of a new service or may be in need of it. They may also offer references for growth in territory. For either example, the old customer base can help foster the growth of the new customer base.

Secondly, the company needs to know what kind of customer base it is trying to build. If the customer needs to be convinced to return for more business, such as a sandwich shop, then the company needs to orient its customer base growth to that need. The company also needs to use both advertising and references to help build the new customer base. These two aspects of building new business must be utilized to their utmost in order to foster as much growth as possible.

The **Policies** that a company has can be divided into two parts: internal and external. In order to understand how the policies affect the company they need to be explained in the frame of the rest of the context and linked to the

interaction of the group as a whole. These policies link this section to the interaction section.

The **external policies** of the group are policies that are made for the public and/or are known by the public. Most policies in business can be traced back to the customer eventually, but the external policies are directly involved with customers. Examples are: official policy that is stated to the public, company slogans, or any other publicly espoused description of the way in which the people in the company should or should not behave. The reason this aspect of culture is so important is that these policies shape the way the company interacts with the public. These policies can be set by the authority in the company or by the employees on a lower hierarchical level. The interaction that goes on between the company and the public is an important measure of the quality of service offered by the company or the ability to convince the public that they can do the job they are claiming they can do.

The **internal policies** of the group are policies that are contained within the company. These policies deal only with the people within the company and only indirectly with the public. They are the policies that dictate the relationships between members of the company.

These two categories rely on each other in order to define themselves. Because of that more time is needed here to explain the difference. The external/internal opposition is formed by the customer's gaze. The external policies are often made for the customer's benefit, i.e. the sign in the bathroom of any food preparing store that says all employees must wash their hands after going to the bathroom), or not only to serve the customer but to show the customer something. The customers in the sandwich shop now know that the sandwich that they will be eating will be made by clean hands. The rule is public and is meant to be known by the customers who are being served. In that same sandwich shop there is a rule that the employees may drink all the soda they want but they can only have a sandwich at half price and during their lunch break or their dinner break. Although this may be a rule that is written in the employee handbook as part of the rules and regulations of the company, it is one that pertains only to the company within itself as a group and not to the company and its customers as a group. The two categories depend on the group that they are made for and the group they are directly affecting.

These two kind of policies can affect the growth of a company. The external policies affect the customer base and the way the public in general

sees the company. It also affects how the people in the company think of the company. The internal policies define how the group interacts for the most part. It is these policies that can help people motivate each other toward the top right corner (leadership) in the Kelley model. The interaction between the members of the group forms the base for the growth of the company in terms of motivation. It is these people that must push the growth forward. Inertia is real and without a force or motivation, nothing will move.

Interaction

The interaction between the members of the group offers the most room for change. There are so many variables in every situation where multiple members are involved that the culture changes constantly with new additions and alterations within the company. We can evaluate this interaction with three variables: language, climate, and location.

Language is the way that members of a group communicate. In every group there is a language that forms, not a language in the sense a linguist demands, but a language in that the different groups have their own vocabulary and their own meanings for some simple terms or phrases with their own meaning. This is remarkably important in that each groups language shapes the way the business operates. Knowledge of the company's language helps the analysis and the investigation into how the company works It also shows how the company defines itself. All the other modes of culture definition will need to be framed by the understanding of the language of the culture, and only then can we begin to reevaluate the culture through the other terms.

The language can be used to gauge who in the company is ready for growth. If the company is geared toward innovation and motivating hard work than it is closer to the top right corner (leadership). A company lacking language geared toward rewarding innovation may not be as prepared for growth.

The **climate** of a group can be seen in the behavior of the group. The way in which a group treats each other and the other people who interact with

them shows the climate in which they operate. Climate includes the mood of the company (serious, energetic, lazy) and it is meant to keep the regional sense that climate offers. The climate of a growing company is much different than the climate of a company that is at the top of its field and is not looking to innovate. This is important in understanding the company because if you examine the goals of the company and you do not understand the context in which the company is working with them, then you will have missed the “heart” of the company. A full description of the mood the company is in and a picture of the direction that they are headed in will give the analyst a better idea of how to evaluate the group’s practices and the group’s culture as to whether it is being conducive to growth.

When the analysis is finished the company will have a recommendation of where the potential for leadership is and where it already exists. From those recommendations the company can adjust to prepare itself for the growth period. This model will work with dedicated and informed analysis, but it is important for the analyst to shape the model along with their

recommendation. By exploring and stretching the terms and the sections of the model the analyst will offer more to the company by way of options. The more detailed and varied the analysis, the more the company will have to work with in their preparation.

Flying Colors Inc. painting company Analysis

Context

What business? *Flying Colors Inc.* painting company is involved in the residential house painting business. **How is the business doing?** This business rejuvenates itself every five to ten years depending on the house. It is not in a position to grow extensively, but the market share of any one company has room to grow. Customers may come back to the same company, but for the most part people look to different companies. This may be because the industry has a high rate of new companies forming and other companies folding. Many companies are not registered with the government, that is they operate under the table. These companies do not report the money they make, they are often uninsured, and they do not operate for a long period of time. They may be active for one season only. Some people do the work themselves or get some friends and do the job together. Some people pay their children and their friends. Painting is not considered a highly skilled activity for most houses. The residential houses that hire such house painters are usually easy to paint with some exceptions. These exceptions require

specific work which may be handled by the more reputable painting companies. Because the service rendered is not specialized enough to demand that every house needs a house painting company, people are willing to find alternate ways of getting their house painted.

How is Flying Colors Inc. doing in this area of business? The businesses that are in the painting business to stay fall into two categories: the professional and the college students. *Flying Colors Inc.* (FCP) is a college painting company. It hires college students as managers and those students run their own business for a summer. These college companies provide support for their managers in different ways and on different levels. FCP provides more support than its competitors in this area. They offer a base earning for the summer, which no other company offers, and they provide support by having a general manager available to the managers at all times. For other college painting companies the general manager may be two hours away, FCP general managers are always in the area or not more than forty-five minutes away. This difference is beneficial to a growing company. For FCP to expand it will need to open up new territories. An expansion of service may be possible, i.e. interior painting, but FCP's college students are more adept at doing the same type of work well. Students can be trained in

one summer to perform one set of tasks well and this training puts them in a position to paint the outside of residential houses well. In order to offer more services, FCP would have to do more training and that would reduce the profitability of hiring college students. Thus, a growth in territory is the more profitable one.

FCP has to expand its territory rather than its services. The market FCP is in always allows for expansion. FCP has an opportunity to expand. Now that the context has been outlined, a look in the Situation and Interaction sections should show the company's strong and weak points in relation to the growth.

Situation

The first section in the Situation is the personnel. FCP has a group of employees that are no longer in school and work with the company full time. These people operate in the role of general manager and as senior manager. The difference is that a senior manager's role is much the same as a manager who is still a college student. The senior manager may be expected to perform more duties to the company such as guarantee work or helping in the

manager training process, but other than that the manager's duties during the season do not differ that much from the average manager. The general manager's job is different from the average manager. The general manager manages the managers. The GM position provides support for the managers in advice and solutions to problems, help understanding the job, help learning how to sell, help dealing with student painters, and anything else the GM can do to make the summer more profitable for the manager.

The GMs also carry the title Vice President. This links them to the President/owner of the company, Bear Barnes. Bear and the GMs meet every week to discuss their progress of the different outlets and what its individual needs are. Bear also acts as a GM and in the past years his role has been decreasing as he took a more over-arching position. The past year Bear has picked up a larger load in the GM position as the company has changed.

The senior managers are the least likely to fall into the top right corner (leadership) of the modified Kelley model (See model). They are not interested in really pushing the company anywhere, they are just filling time until they get a job in their career. Kevin Kelly and Johnny Mcglaughlin are both looking for jobs with the police and as a teacher respectively. If FCP is going to grow it should not count on them to contribute on a large level. Both

have done their job as senior manager well, but neither wants to pursue that any further.

Mike Blackwell and David Nelson are both senior managers. Mike has been with the company for much longer and has shown some innovation in the way he has gotten work in the past. His innovations reach from painting condos to going to the train tracks at six in the morning to pass out flyers to New York city commuters. He has run a large business every year and is looking to continue with FCP in a larger role.

David Nelson has not been with the company as long. He has shown some promise in working with others, most notably his work with Todd Fisher, and he is looking to continue in a larger role with the company. David needs to become more active in order to move towards the top right corner. His work has never been full steam ahead and he needs that in order to run a new outlet successfully. With his critical thinking skills and, more important, his independence, David could be put in the top left corner. The move to the right will require some self-motivation and innovation.

Mike is in a different position. He is very active and extremely motivated. He is always pushing to get more from his painters and at the same time he demands more from himself. He is in the bottom right and

needs only to think more critically to move to the top right. He has shown critical thinking skills but in applying them to the company he will be more valuable.

Both of these senior managers will be valuable to the company in that they have the potential for leadership, but the most important aspect of these two is that they both want to be with the company. They are not forced to by economic forces in the job market. It is from this position that they are most valuable.

The lone GM at the moment is Chris Adams. In the past two years he has saddled more responsibility and more work load as the company went through some changes. Former GM, Jay Beaulieu, left the company and went to Wharton Business School. Both owner Bear Barnes and Chris Adams picked up their work load. Last summer they ran the company with only the two of them where in the past there have been three. Chris' role in this change was as support for Bear and in any analysis of one of them, the other is needed. Their roles were very intermingled. Chris and Bear both show high levels of motivation and activity. They both work long days and prepare meticulously for each day. They also think critically about their actions and the actions of others. Their critically thinking allows them to evaluate each

other in a productive way during their meetings. Both Chris and Bear are in the top right corner in the way they run FCP.

It is the example of Chris and Bear that will be the most helpful in a period of growth. If the company begins a new outlet with either Mike or David or both at the head they will have Bear and Chris to look to for inspiration and guidance. By using their example, Bear and Chris may be able to motivate the younger pair into the top right corner.

The customer base of FCP is strong. In the places they have done work, their name is known as a good reputable business. It helps that many references also had their children working for the company one some or the other. FCP has learned to cultivate its relationship with its customers and it has paid off in references to other jobs and references that helped land unrelated jobs. When FCP expands to another district it will not have these references in that area. What they will have is the other references, which will help land jobs in some circumstances, and the knowledge of how to build such a base of references. These two resources will be very valuable in building a new outlet. The fact that these things have been done show potential for growth.

At the moment the company is divided into two sections: Fairfield county and Hartford county. The two areas are different. Fairfield county has a lot of New York business men and lawyers and other such people. The Fairfield county area is a high income area that has a higher cost of living than Hartford county does. This causes on one hand the jobs in Fairfield county to be bigger and the pay to painters to be on average a dollar higher, and on the other hand a split in the culture of the company. This is not counter-productive. It provides a chance for increased competition. The separation of each outlet provides the opportunity for the GMs to play the managers off each other, as the managers can do with their different crews who work on different job cites in the came town. Both groups are separated from each other for the day but may contact each other at other times. It is this brief contact that can provide motivation, this brief moment where the groups meet provides punishment for some and reward for others. This is one way the company motivates people. This same method can be used in an expansion to an outlet further away. The trick will be to keep the communication between the areas flowing. This is accomplished by means of

a company news letter. This letter keeps people informed on how others are doing and sets a tone for the company.

Positioning the new outlet in an area where it can be successful will be important. Research into what areas have had the highest amount of painting business done there or where new developments are being made or have been made can provide information for where to go and how to prepare for the area.

Two policies are important to cover in this section. One is external and one is internal and it is these two policies that affect the company the most in relation to the growth period. The first is the open communication policy which is an internal policy. This policy is that the whole company can know the how the rest of the company is doing. This is accomplished by publishing a news letter that goes with every paycheck. Every person in the company receives the news letter which contains information about other parts of the company, updates on awards that painters receive at the end of the year, and other information that applies to the painting company. There are suggestions for new ways to do things which fosters an atmosphere of innovation and critical thinking. One of the main purposes for the news letter is that it sets

up an arena for discussion and also for challenges. Different competitions are advertised in the news letter. The results of two are published every news letter so that the competitors can keep track of each other. Those two competitions are the Iron Man award, the award for the most hours in a summer, and the Springsteen award, the award for the most hours averaged. Those two competitions go on all summer and the people involved take interest in trying to win. Creating a competitive atmosphere with policies can lead to innovation through hard work and critical thinking. Some other news that is included is which teams are doing the best and this creates some competition between the teams of painters, and which managers are doing best, which does the same for managers. The news letter is also a good tool for sharing ideas and solidifying the norms of the company. In a period of growth this tool could be used to cross-pollinate from one outlet to another while keeping in touch so as not to let the new branch get too far from the main branch's way of doing things. The news letter is an excellent resource for growth.

The other policy is the Grandmother policy. This says that everyone in the company should treat the customers as if they were their own grandmothers. This applies to the painters in everyday dealings and the

managers in their dealings with the customers. But this policy has an even bigger impact for the long run. It sets the tone for how the company treats its customers and this tone is how the company sells itself. FCP wants to be known as the painting company that you are comfortable hiring to paint your house. FCP is friendly and courteous and they will do everything they can to please the customer. This is an external policy and it is very effective in helping to build a customer base. The customers who are treated with respect not only will come back to the company, they may tell someone else about the company, or they may write a wonderful recommendation, and they will be an easier customer to handle than an annoyed customer who feels they are being cheated. This policy helps the company on many levels and it prepares the company for growth by creating a solid customer base that can be used for recommendations when the new outlet is started.

Interaction

After looking at the situation, the language can be checked for signs of leadership. Although the language might not be as developed here with FCP as it would be with a company that works together all year round and for a

period of time, FCP does develop some language. The company does this for the most part with the news letter and the training sessions. From there the people in the company learn what words to use. The function of this vocabulary is two-fold: it helps to define the job the people are going to do for the summer whether a manager or painter and it gives the company a sense of unity. When to groups meet who work for FCP they know how to talk to each other. This communication link, despite being apart for the whole summer, helps to define roles and make the people feel they are in a cohesive group. This will be valuable in a move where the new outlet may be four hours away, but they can still feel a part of the whole.

The climate of the company now is ready for growth. This feeling comes from the President and Vice President as they prepare for this summer. Both Mike and David are being trained as general managers unofficially by being given managers to “look out for.” The permanent part of the company is looking toward a new area and there is often discussion about how the company got started and what the challenges are to a new company. Bear’s (the president) role in this is motivator. He is pushing the younger people in his company to want what he had, a chance to start

something new. Much of the climate comes from the situation that was discussed above. This may not always be true because some companies are larger and the situation may not be the only influence. At FCP the largest influence is Bear because it is his company and he plays a very active role. He seems to be controlling the situation in order to prepare the company for a period of growth.

Conclusion

Flying Colors Inc. will be prepared for the period of growth. It seems that Bear Barnes and Chris Adams are actively making changes in the company in order to prepare it specifically for growth. Much of this is done by cultivating the younger senior managers to accept the challenge and begin to prepare themselves. The news letter and the Grandmother policy will help the company when it decides to grow. They are both tools that serve well now as well as in the future. This company is ready for growth.

Grand Conclusion

This model is useful to interpret a company's culture in the frame of leadership. By putting leadership and growth together the company that is being analyzed can get a feel for what position it is in with regard to growth. This model is best used often and by many different people because each person will get different results for the same company. By doing multiple versions of the analysis different perspectives can be seen and the company can better prepare for the period of growth. That is how I envision this model being used. I feel it worked on Flying Colors but for it to be helpful to the company it would need to be done again by others in the company. This model's strength lies in its flexibility, as does a leader's in this changing environment of business.

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